

Appropriation vs. Authorization

Congress annually considers several appropriations measures, which provide funding for numerous activities, for example, national defense, education, homeland security, crime, as well as general government operations. Congress has developed certain rules and practices for the consideration of appropriations measures, referred to as the congressional appropriations process. Appropriations measures are under the jurisdiction of the House and Senate Appropriations Committees.

Congress has also established an authorization-appropriation process that provides for two separate types of measures -- authorization bills and appropriation bills. These measures perform different functions and are to be considered in sequence. First, authorization bills establish, continue, or modify agencies or programs. Second, appropriations measures may provide spending for the agencies and programs previously authorized.

Authorization acts establish, continue, or modify agencies or programs. For example, an authorization act may establish or modify programs within the Department of Defense. The authorization act also authorizes subsequent appropriations for specific agencies and programs, frequently setting spending ceilings for them. These authorizations of appropriations provisions may be permanent, annual, or multi-year authorizations. Annual and multi-year provisions require re-authorizations when they expire. Congress is not required to provide appropriations

for an authorized discretionary spending program.

Authorization measures are under the jurisdiction of legislative committees such as the House Committees on Agriculture and Homeland Security, or the Senate Committees on Armed Services and the Judiciary.

Earmarks

Earmarks may be included in appropriations, authorization, or revenue measures. Appropriations measures are under the jurisdiction of the Senate and House Committees on Appropriations, whereas authorization measures are under the jurisdiction of various legislative committees. Earmarks are not currently defined in law, nor is there a single common understanding of the term "earmark" accepted by all practitioners and observers of the federal budget process. Likewise, there is no universal standard earmarking practice among revenue

bills, authorization bills, and appropriations bills, or even among individual appropriations bills.

Earmarks associated with appropriations bills, however defined, generally set aside funds within a specific account. In a regular or supplemental appropriations bill, funding for departments and large agencies is distributed among several accounts. Each account is typically provided in a single unnumbered paragraph of an appropriations bill and includes funding for similar programs, projects, or items, such as a "research and development" account or "salaries and expenses" account. For smaller agencies, a single account may fund all of the agency's activities. The appropriations bills generally provide a lump-sum appropriation for each account, and earmarks are distributed within some of the accounts. In addition, certain authorization bills provide funding for specified earmarks.

Earmarks may be provided in the form of bill language or report language. Bill language refers to the text of bills, amendments, and bills included in conference reports. A conference report provides the text of the bill as agreed to in conference. If enacted, this text becomes law and has statutory force. Earmarks may be initiated by Congress as well as the Administration.

What is an earmark? (Pursuant to clause 9(d)(e)&(f), Rule XXI of the House Rules)

A limited tariff benefit is a change to the tariff schedule and is directed to 10 or fewer beneficiaries.

A limited tax benefit is any revenue losing provision that provides a Federal tax deduction, credit, exclusion, or preference to 10 or fewer beneficiaries and contains eligibility criteria that are not uniform in application to potential beneficiaries.

A Congressional earmark is a provision or report language included primarily at the request of a Member, Delegate, Resident Commissioner, or Senator providing, authorizing or recommending a specific amount of discretionary budget authority, credit authority, or other spending authority for a contract, loan, loan guarantee, grant, loan authority, or other expenditure with or to an

entity, or targeted to a specific State, locality or Congressional district, other than through a statutory or administrative formula driven or competitive award process.

□ ü Bill or report language

□ ü Requested by a Member

□ ü Specific amount of \$\$\$

□ ü Directed to an entity or targeted to a State, locality, Congressional district

□ ü EXCEPT, when through formula or competitive award

Congressman Wittman's Earmark Policy:

- Will only submit military construction project requests and program requests that are vital to our national defense. This would include programs that appear in the annual budget submitted to Congress (such as the aircraft carrier program, the submarine program, the Title XI shipbuilding loan guarantee program, etc., which are budgeted for on an annual basis by the Departments of Defense and Transportation, for example.)

- Will not submit project requests on behalf of private companies.

- Will list all requests submitted to the Appropriations Committee on the website: www.wittman.house.gov

- Supports efforts to list all Member requests, including the name of the Member who made the request, in each appropriations bill.

- Opposes efforts to name any new building, program, or project after a sitting Member of Congress.

- Will not request an earmark that was not included in the House bill or Senate bill or accompanying reports prior to being included in a conference report, commonly known as an "airdrop."

- Certified that I do not have a financial interest in each project submitted to the Appropriations Committee.

- Will submit a statement into the Congressional Record for each project that receives an appropriation.
- Supports efforts to enact earmark reform and to increase transparency in the appropriations system. I am a cosponsor of H. Con. Res. 263, legislation that would establish a bipartisan Joint Select Committee on Earmark Reform to study and report to the House and the Senate on the practices of the legislative and executive branch regarding earmarks in authorizing, appropriation, tax, and tariff measures. Furthermore, a moratorium on consideration of earmarks, limited tax benefits, or limited tariff benefits would be established until the committee issues its report.

Factors used to evaluate appropriations requests submitted for funding in fiscal year 2011:

- The project has been requested by a governmental entity, non-profit organization, or an educational or research institution. Rep. Wittman will not submit earmark request for private companies.
- The project is supported in the community/by the locality.
- The project is on the Service Unfunded Requirements list and/or the Future Year's Defense Plan (FYDP).

Congressman Wittman has worked with numerous localities, agencies and organizations over the years on projects that are critical to the First District and will continue to work with them to help them achieve their objectives. For information about applying for Federal grants, please visit the grants page on the website or contact our office at 202-225-4261.